
Tobin & Co.

Whitewater Township

Grand Traverse County, Michigan

Audit Report

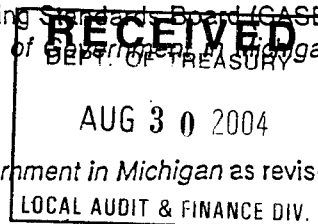
For the Year Ended March 31, 2004

AUDITING PROCEDURES REPORT

Issued under P.A. 2 of 1968, as amended. Filing is mandatory.

Local Government Name (Specify) <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other Whitewater Township		County Grand Traverse
Audit Date 3/31/04	Opinion Date 7/30/04	Date Accountant Report Submitted to State: 8/25/04

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.



We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

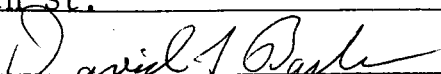
We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ yes ☒ no 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ yes ☒ no 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ yes ☒ no 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ yes ☒ no 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ yes ☒ no 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 2 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ yes ☒ no 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ yes ☒ no 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid) during the year).
- ☐ yes ☒ no 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	X		
Reports on individual federal financial assistance programs (program audits).			X
Single Audit Reports (ASLGU).			X

Certified Public Accountant (Firm Name) Tobin & Co., P.C.			
Street Address 400 E. Eighth St.	City Traverse City	State MI	ZIP 49686
Accountant Signature 			

Tobin & Co.

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INTRODUCTORY SECTION

Tobin & Co.

Comments and Recommendations

We have audited the general purpose financial statements and the combining and individual fund and account group financial statements of Whitewater Township, Grand Traverse County, for the year ended March 31, 2004 and have issued our report thereon. As part of our examination, we made a study and evaluation of the Township's system of internal accounting control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards. The purpose of our study and evaluation was to determine the nature, timing and extent of the auditing procedures necessary for expressing an opinion on the Township's financial statements. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole.

Our study and evaluation made for the limited purpose described above would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of internal control of Whitewater Township taken as a whole. As a result of our examination, we deem it necessary to make the following comments and recommendations.

General

The accounting records were maintained in excellent condition by your Clerk and Treasurer. Recorded revenues were deposited timely and intact, journals and ledgers were properly posted, Board minutes were maintained in proper order, and supporting documents and follow-up procedures appeared to be in very good order. The efforts of these officials during 2003-2004 are commendable.

Budgets and Procedures

The Township prepared and adopted budgets for its General and Special Revenue Funds. See Note 2 of the "Notes to the Financial Statements".

General Fund

The General Fund is presented on Exhibits and Schedule 1 of this report.

Fire Fund

This Fund, presented on Schedule 4, is used to account for the special voted tax for fire protection. The Fund balance at March 31, 2004 was \$110,483.

Park Fund

The Park Fund, presented on Schedule 5, is used to account for revenues generated through the use of Township Parks. Such revenues are used to operate and maintain the Parks. In addition, this fund received an appropriation of \$4,000 from the General Fund during the audit year. The Fund balance at March 31, 2004 was \$601.

Tobin & Co.

Comments and Recommendations

Recreation Fund

The Recreation Fund, presented on Schedule 6, is used to account for a special voted tax and revenues generated from fees for use of recreational facilities. The Fund balance at March 31, 2004 was \$66,492.

Ambulance Fund

This Fund, presented on Schedule 7, is used to account for revenues derived from ambulance runs which are used to finance the Township ambulance operation. In addition, this Fund received appropriations of \$15,000 from the General Fund during the audit year. The Fund balance at March 31, 2004 was \$11,015.

Ambulance Replacement Fund

This Fund, presented on Schedule 8, is used to account for monies set aside for a future ambulance purchase. Revenues for the year consisted of \$360 in earned interest. The Fund balance at March 31, 2004 was \$18,003.

Public Improvement Fund

This Fund, permitted by Act 136 of 1956, as amended, is presented on Schedule 9. It is used to set aside certain miscellaneous revenues for future public improvements authorized by statute. During the audit year, the Fund received earned interest of \$203. The Fund expended \$33,192 for capital outlay. The Fund balance at March 31, 2004 was \$11,275.

Fire Capital Improvement Fund

This Fund, presented on Schedule 10, is used to account for monies set aside for the purchase of fire fighting equipment. Revenues consisted of earned interest of \$2,119 along with an operating transfer of \$25,000 from the Fire Fund. The Fund balance at March 31, 2004 was \$128,208.

General Fixed Assets

The Township Clerk maintains a listing of general fixed assets (land, buildings, equipment). See Note 4 for a Statement of Changes in General Fixed Assets for the audit year. An actual physical inventory of Township assets was taken during the audit year. The State of Michigan recommends such an inventory once each year.

Property Tax Collections

The collection and distribution of the 2003 tax levy was handled in an excellent manner by the Township Treasurer. Paid receipts were filed in order of payment. Deposits were made timely and intact. Distributions to taxing units during the collection period were in accordance with statutory requirements.

See Schedules 11 and 12 for a summary of the 2003 property tax levy and collections.

Tobin & Co.

Comments and Recommendations

Property Tax Administration Fees

A 1% Property Tax Administration fee is authorized by statute to offset such property tax administration costs as assessing, collecting, and the review and appeal process. Fee collections may be used for no other purpose. We note that Whitewater Township complied with statutory provisions as its administrative expenses exceeded fee collections by \$200.

Payroll Procedures

The Clerk maintains excellent payroll records. Payroll withholdings were promptly remitted to various agencies and required reports were properly prepared. The Clerk's efforts are commendable.

Pension Plan

We noted that the Township has a pension plan for its elected officials and full-time employees through Manufacturers Life Insurance. The Township pays 100% of the cost.

Ambulance Billings

At March 31, 2004, unpaid accounts totaled \$9,314. The Board periodically takes action to write off uncollectible accounts. An outside billing agency and a collection agency are utilized.

Insurance and Surety Bond Coverage

Records indicate that the Township is insured through Municipal Underwriters of Michigan and has such coverage as Fire and Extended Coverage, General Liability, Errors and Omissions, Workmen's Compensation, Equipment and Crime coverage. Board minutes indicated that coverage was reviewed during the audit year. We understand the Supervisor, Clerk, Treasurer, Deputy Clerk and Deputy Treasurer have surety bond coverage. There is a blanket surety bond for all other Township employees.

Other Data

We are pleased to note the use of interest bearing depository accounts. The purchase of certificates of deposit and other investment practices resulted in earned interest of over \$10,200 during the audit year. This is commendable on the part of the Treasurer and other Board members.

After the completion of our audit, we will mail two (2) copies of this report to the State Department of Treasury.

We again commend the Clerk and Treasurer for the excellent condition of the Township accounting records. We further appreciate the courtesy extended our field auditors in the course of this audit.

Your confidence is respected. Please contact us if questions arise or assistance is needed.

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FINANCIAL SECTION

Tobin & Co.

REPORT OF INDEPENDENT AUDITOR

To the Township Board
Whitewater Township
Grand Traverse County
Williamsburg, Michigan 49690

We have audited the accompanying general purpose financial statements of Whitewater Township as of and for the year ended March 31, 2004, as listed in the Table of Contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Whitewater Township at March 31, 2004, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the Table of Contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of Whitewater Township. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.



Tobin & Co., P.C.
July 30, 2004

Whitewater TownshipExhibit ACombined Balance Sheet – All Fund Types and Account GroupsMarch 31, 2004

<u>Assets</u>	<u>Governmental Fund Types</u>		<u>Proprietary Fund Types</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Enterprise Fund</u>
Cash in Bank	\$ 267,705	\$ 326,552	Miami Beach Sewer Fund \$ 146,052
Cash with Fiscal Agent	-	-	3,253
Petty Cash	325	-	-
Accounts Receivable	11,035	20,742	6,069
Special Assessments Receivable:			
Current	-	-	417
Deferred	-	-	167,724
Interest	-	-	349
Due from Other Funds	5	-	-
Water and Sewer Projects	-	-	325,846
Accumulated Depreciation – Water and Sewer Projects	-	-	(39,059)
Bond Acquisition Costs	-	-	7,725
Accumulated Amortization – Bond Acquisition Costs	-	-	(2,575)
Land and Buildings	-	-	-
Machinery and Equipment	-	-	-
Vehicles	-	-	-
Amount To Be Provided for Debt	-	-	-
Total Assets	<u>\$ 279,070</u>	<u>\$ 347,294</u>	<u>\$ 615,801</u>

The Notes to the Financial Statements are an integral part of this statement.

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Fiduciary Fund Types	Account Groups		Total (Memo Only)
	General Fixed Assets	General Long-Term Debt	
<u>Agency</u>			
\$ 5	\$ -	\$ -	\$ 740,314
-	-	-	3,253
-	-	-	325
-	-	-	37,846
-	-	-	417
-	-	-	167,724
-	-	-	349
-	-	-	5
-	-	-	325,846
-	-	-	(39,059)
-	-	-	7,725
-	-	-	(2,575)
-	1,756,027	-	1,756,027
-	373,031	-	373,031
-	202,259	-	202,259
-	-	98,170	98,170
<u>\$ 5</u>	<u>\$ 2,331,317</u>	<u>\$ 98,170</u>	<u>\$ 3,671,657</u>

Whitewater TownshipExhibit ACombined Balance Sheet – All Fund Types and Account GroupsMarch 31, 2004

<u>Liabilities and Fund Equity</u>	<u>Governmental Fund Types</u>		<u>Proprietary Fund Types</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Enterprise Fund Miami Beach Sewer Fund</u>
Liabilities:			
Accounts Payable	\$ 3,863	\$ 1,217	\$ 844
Notes Payable	-	-	-
Bonds Payable	-	-	245,000
Discount on Bonds Payable	-	-	(3,081)
Undistributed Taxes and Interest	-	-	-
Deferred Revenue	9,131	-	-
Total	<u>12,994</u>	<u>1,217</u>	<u>242,763</u>
Fund Equity:			
Investment in General Fixed Assets	-	-	-
Contributed Capital	-	-	316,239
Retained Earnings – Unreserved	-	-	56,799
Fund Balance – Reserved	10	-	-
Fund Balance – Unreserved	266,066	346,077	-
Total	<u>266,076</u>	<u>346,077</u>	<u>373,038</u>
Total Liabilities and Fund Equity	<u>\$ 279,070</u>	<u>\$ 347,294</u>	<u>\$ 615,801</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Fiduciary Fund Types	Account Groups		Total (Memo Only)
	General Fixed Assets	General Long-Term Debt	
<u>Agency</u>			
\$ -	\$ -	\$ -	\$ 5,924
-	-	98,170	98,170
-	-	-	245,000
-	-	-	(3,081)
5	-	-	5
-	-	-	9,131
<u>5</u>	<u>-</u>	<u>98,170</u>	<u>355,149</u>
-	2,331,317	-	2,331,317
-	-	-	316,239
-	-	-	56,799
-	-	-	10
-	-	-	612,143
<u>-</u>	<u>2,331,317</u>	<u>-</u>	<u>3,316,508</u>
<u>\$ 5</u>	<u>\$ 2,331,317</u>	<u>\$ 98,170</u>	<u>\$ 3,671,657</u>

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Whitewater Township

Exhibit B

Combined Statement of Revenues, Expenditures and Changes in Fund Balance

All Governmental Fund Types

For the Year Ended March 31, 2004

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Total (Memo Only)</u>
<u>Revenues</u>			
Taxes	\$ 138,568	\$ 143,890	\$ 282,458
Licenses and Permits	21,708	-	21,708
State Grants	167,847	-	167,847
Charges for Services	6,809	111,207	118,016
Interest and Rents	4,207	10,053	14,260
Other	<u>1,684</u>	<u>612</u>	<u>2,296</u>
Total	<u>340,823</u>	<u>265,762</u>	<u>606,585</u>
<u>Expenditures</u>			
Legislative	52,710	-	52,710
General Government	166,396	29,607	196,003
Public Safety	48,990	133,705	182,695
Recreation and Culture	538	106,478	107,016
Other	26,449	-	26,449
Capital Outlay	12,540	-	12,540
Debt Service	<u>13,851</u>	<u>-</u>	<u>13,851</u>
Total	<u>321,474</u>	<u>269,790</u>	<u>591,264</u>
<u>Excess Revenues (Expenditures)</u>	<u>19,349</u>	<u>(4,028)</u>	<u>15,321</u>
<u>Other Financing Sources (Uses)</u>			
Operating Transfers In	-	44,000	44,000
Operating Transfers Out	<u>(19,000)</u>	<u>(25,000)</u>	<u>(44,000)</u>
Total	<u>(19,000)</u>	<u>19,000</u>	<u>-</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>349</u>	<u>14,972</u>	<u>15,321</u>
<u>Fund Balance – Beginning of Year</u>	<u>265,727</u>	<u>331,105</u>	<u>596,832</u>
<u>Fund Balance – End of Year</u>	<u>\$ 266,076</u>	<u>\$ 346,077</u>	<u>\$ 612,153</u>

The Notes to the Financial Statements are an integral part of this statement

Statement of Revenues, Expenditures and Changes in Fund BalanceBudget and ActualGeneral and Special Revenue FundsFor the Year Ended March 31, 2004

	<u>General Fund</u>		
	<u>Amended</u>	<u>Actual</u>	<u>Favorable</u>
<u>Revenues</u>	<u>Budget</u>		<u>(Unfavorable)</u>
Taxes	\$ 139,423	\$ 138,568	\$ (855)
Licenses and Permits	18,500	21,708	3,208
State Grants	181,009	167,847	(13,162)
Charges for Services	6,500	6,809	309
Interest and Rents	5,000	4,207	(793)
Other	590	1,684	1,094
Total	<u>351,022</u>	<u>340,823</u>	<u>(10,199)</u>
<u>Expenditures</u>			
Legislative	55,042	52,710	2,332
General Government	172,508	166,396	6,112
Public Safety	59,051	48,990	10,061
Recreation and Culture	538	538	-
Other	27,068	26,449	619
Capital Outlay	12,540	12,540	-
Debt Service	13,860	13,851	9
Total	<u>340,607</u>	<u>321,474</u>	<u>19,133</u>
<u>Excess Revenues (Expenditures)</u>	<u>10,415</u>	<u>19,349</u>	<u>8,934</u>
<u>Other Financing Sources (Uses)</u>			
Operating Transfers In	-	-	-
Operating Transfers Out	(18,857)	(19,000)	(143)
Total	<u>(18,857)</u>	<u>(19,000)</u>	<u>(143)</u>
<u>Excess Revenues (Expenditures) and</u>			
<u>Other Financing Sources (Uses)</u>	(1) <u>\$ (8,442)</u>	349	<u>\$ 8,791</u>
<u>Fund Balance – Beginning of Year</u>		<u>265,727</u>	
<u>Fund Balance – End of Year</u>		<u>\$ 266,076</u>	

(1) Budgeted from Fund Balance

The Notes to the Financial Statements are an integral part of this statement

Tobin & Co.

Special Revenue Funds		
Amended Budget	Actual	Favorable (Unfavorable)
\$ 144,750	\$ 143,890	\$ (860)
-	-	-
-	-	-
117,298	111,207	(6,091)
12,950	10,053	(2,897)
<u>1,474</u>	<u>612</u>	<u>(862)</u>
<u>276,472</u>	<u>265,762</u>	<u>(10,710)</u>
-	-	-
35,215	29,607	5,608
151,842	133,705	18,137
165,641	106,478	59,163
-	-	-
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
<u>352,698</u>	<u>269,790</u>	<u>82,908</u>
<u>(76,226)</u>	<u>(4,028)</u>	<u>72,198</u>
23,074	44,000	20,926
<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
<u>(1,926)</u>	<u>19,000</u>	<u>20,926</u>
<u>\$ (78,152)(1)</u>	14,972	<u>\$ 93,124</u>
	<u>331,105</u>	
	<u>\$ 346,077</u>	

Tobin & Co.

Whitewater Township

Exhibit D

Statement of Revenues, Expenses and Changes in Retained Earnings

Proprietary Fund Type

Miami Beach Sewer Fund

For the Year Ended March 31, 2004

Operating Revenues

Fees and Charges	\$ 12,587
Special Assessments	11,501
Interest	<u>1,731</u>
Total Operating Revenues	<u>25,819</u>

Operating Expenses

Contractual Services	2,552
Debt Service Interest and Fees	13,994
Depreciation and Amortization	<u>6,946</u>
Total Operating Expenses	<u>23,492</u>

<u>Net Income</u>	2,327
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<u>Retained Earnings</u> – Beginning of Year	<u>54,472</u>
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<u>Retained Earnings</u> – End of Year	<u>\$ 56,799</u>
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The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Whitewater Township

Exhibit E

Statement of Cash Flows

Proprietary Fund Type

Miami Beach Sewer Fund

For the Year Ended March 31, 2004

Operating Activities

Collections of Charges for Services	\$ 12,216
Collections of Special Assessments	27,674
Collections of Interest	1,731
Deduct Expenses Using Cash and Cash Equivalents	<u>(15,396)</u>

Net Cash Flow From Operating Activities 26,225

Capital Financing Activities

Principal Payments (10,000)

Cash Flow Used by Capital Financing Activities (10,000)

Net Increase in Cash 16,225

Balance of Cash – Beginning of Year 133,080

Balance of Cash – End of Year \$ 149,305

Reconciliation of Net Income to Net Cash Flow

From Operating Activities

Net Income	\$ 2,327
Adjustments to Reconcile Net Income (Loss) to Net Cash Flows	
From Operating Activities:	
Depreciation and Amortization	7,390
Decrease in Receivables	15,802
Increase in Payables	<u>706</u>

Net Cash Flow From Operating Activities \$ 26,225

The Notes to the Financial Statements are an integral part of this statement

Tobin & Co.

Whitewater Township

Notes to Financial Statements

March 31, 2004

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Whitewater Township is a general law township located in Grand Traverse County. Population as of the 2000 census was 2,467, and the current taxable value for assessed property is \$122,632,510.

The Township's general purpose financial statements include the accounts of all Township operations. The criteria for including organizations within the township's reporting entity, as set forth in GASB No. 14 "*The Financial Reporting Entity*", includes oversight responsibility, fiscal dependency and whether the financial statements would be misleading if data were not included.

Based on the above criteria, there are no other organizations included in these financial statements.

B. Basis of Presentation

The financial activities of the Township are recorded in separate self-balancing funds and account groups categorized and described as follows:

Governmental Funds

General Fund – This Fund is used to account for all financial transactions not accounted for in another fund, including the general operating expenditures of the Township. Revenues are derived primarily from property taxes, state distributions or grants, and other intergovernmental revenues.

Special Revenue Funds – These Funds are used to account for specific governmental revenues (other than debt service and major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative actions.

Proprietary Funds

Enterprise Funds – These Funds are used to account for the financing of services provided to the general public where all or most of the costs involved are recovered through service charges to the users of such services.

The Township applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

Tobin & Co.

Whitewater Township

Notes to Financial Statements

March 31, 2004

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation (Continued)

Fiduciary Funds

Trust and Agency – These Funds are used to account for assets held in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

Account Groups

General Fixed Assets – This account group presents the fixed assets of the Township utilized in its general operations (non-proprietary fixed assets).

General Long-Term Debt – This account group presents the long-term debt of the Township which is not accounted for within a specific fund.

C. Basis of Accounting

All governmental funds and agency funds utilize the modified accrual basis of accounting. Under this method, revenues are recognized when received in cash except for those susceptible to accrual, which are recorded as receivables when measurable and as revenue when available to finance current operations. Significant revenues susceptible to accrual include property taxes, expenditure reimbursement type grants, certain intergovernmental revenues and operating transfers. Expenditures are recorded when the liability is incurred, except for interest on long-term debt, which is recorded when paid.

All Proprietary Funds are accounted for using an accrual basis of accounting. Under this method revenues are recognized when earned and expenses are recognized when incurred.

D. Measurement Focus

The accounting and reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for on a spending or “financial flow” measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Tobin & Co.

Whitewater Township

Notes to Financial Statements

March 31, 2004

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus (Continued)

All Proprietary Funds are accounted for on a cost of services or “capital maintenance” measurement focus. This means that all assets and all liabilities (whether current or non-current) associated with the activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary Fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

E. Budgets

The General Fund and Special Revenue Funds are under formal budgetary control. Budgets shown in the financial statements for these funds were prepared on a basis not significantly different from the modified accrual basis used to reflect actual results and consist only of those amounts contained in the formal budgets approved and amended by the Township.

In the body of the financial statements, the Township’s actual and budgeted expenditures for the budgetary funds have been shown on a functional basis. The approved budgets for these funds were adopted on a cost center or activity basis.

For budgetary purposes appropriations lapse at fiscal year end.

F. Cash and Cash Equivalents

For purposes of the statement of cash flows, the proprietary fund type considers all highly liquid investments with a remaining maturity of three months or less when purchased to be cash equivalents.

Tobin & Co.

Whitewater Township

Notes to Financial Statements

March 31, 2004

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Fixed Assets

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain general fixed assets consisting of roads, bridges, curbs, gutters, streets, sidewalks, drainage systems and lighting systems are excluded from general fixed assets because such items are immovable and of value only to the Township. General fixed assets are not subject to annual depreciation expense. Depreciation is recorded on proprietary fund assets using the straight-line method and these assets are accounted for in the proprietary fund itself. The Township does not capitalize construction period interest.

Fixed assets are recorded at historical cost. Donated fixed assets are valued and recorded at the fair market value at date of receipt.

H. Long-Term Liabilities

Long-term liabilities expected to be financed from governmental fund operations are accounted for in the General Long-Term Debt group of accounts.

Long-term liabilities expected to be financed from proprietary funds are accounted for within those funds.

I. Property Tax Procedures and Collections

Properties are assessed as of December 31, and the related property taxes become a lien the following July 1 and/or December 1. Real property taxes are collected by the Township Treasurer through February 28 of each year. As of March 1, uncollected real property taxes are returned delinquent to, and collected by, the County Treasurer. Personal property taxes remain the responsibility of the Township Treasurer to collect. It is the policy of the Township to record the real property taxes in the year of levy.

During the collection period prior to March 1, the Township Treasurer makes distribution of property tax collections to the various taxing units (County, School District, etc.) as required by statute.

For the fiscal year the Township levied property taxes as follows:

	SEV	Taxable Value	Millage Rate
General Operating	\$203,161,020	\$122,632,510	.6475
Fire Protection	\$203,161,020	\$122,632,510	1.0000
Recreation	\$203,161,020	\$122,632,510	.2209

Tobin & Co.

Whitewater Township

Notes to Financial Statements

March 31, 2004

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Special Assessment Revenue

Special Assessment Revenue is recognized in the year of levy. The Township has elected to recognize advance payments of special assessments as revenue upon receipt rather than allocating a portion of such payments to each year's levy.

K. Total Column

The "total" column on the combined financial statements is captioned "memo only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Inter-fund transactions have not been eliminated in the aggregation of this data.

L. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

- A. We noted no violations of legal provisions and/or contractual provision of various agreements related to financial matters.
- B. All funds had positive fund balances at March 31, 2004.
- C. Public Act 621 of 1978, Section 18, provides that a local unit shall not incur expenditures in excess of the amount appropriated. During the year ended March 31, 2004, Operating Transfers Out in the General Fund, for which a budget was adopted, overexpended its budget by \$143 without formal Board amendment.

Tobin & Co.

Whitewater Township

Notes to Financial Statements

March 31, 2004

NOTE 3 - DEPOSITS WITH FINANCIAL INSTITUTIONS

A. Legal Provisions for Deposits and Investments

Act 20, Public Acts of 1943, as amended by Act 217, Public Acts of 1982, and Act 196, Public Acts of 1997, states that the Township, by resolution, may authorize the Treasurer to invest surplus funds as follows:

1. In bonds, securities, and other direct obligations of the United States or an agency or instrumentality of the United States.
2. In certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank which is a member of the Federal Deposit Insurance Corporation or a savings and loan association which is a member of the Federal Savings and Loan Insurance Corporation or a credit union which is insured by the National Credit Union Administration, but only if the bank, savings and loan association, or credit union complies with subsection (2).
3. In commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and which matures not more than 270 days after date of purchase.
4. Repurchase agreements consisting of instruments defined in (1) above.
5. In bankers' acceptances of United States Banks.
6. Obligations of the State of Michigan or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than one standard rating service.
7. In mutual funds registered under the investment company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by local units of government in Michigan.

B. Types of Deposits and Investments

The Township had \$758,783 deposited with local financial institutions at March 31, 2004 with a carrying value of \$740,314. Interpreting the FDIC insurance coverage of \$100,000 per demand deposit account and \$100,000 per time deposit account in each depository, the Township had uninsured deposits of \$558,783 at March 31, 2004.

Tobin & Co.

Whitewater Township

Notes to Financial Statements

March 31, 2004

NOTE 4 - SUMMARY OF CHANGES IN GENERAL FIXED ASSETS

	<u>03/31/03</u>	<u>Additions</u>	<u>Dispo- sitions</u>	<u>03/31/04</u>
Land and Buildings	\$1,718,383	\$ 37,645	\$ -	\$1,756,028
Machinery and Equipment	35,690	2,540	-	38,230
Office Furniture and Equipment	103,639	6,565	-	110,204
Ambulance - Vehicles and Equipment	160,905	-	-	160,905
Fire Fighting Equipment	<u>264,205</u>	<u>1,745</u>	<u>-</u>	<u>265,950</u>
Total	<u>\$2,282,822</u>	<u>\$ 48,495</u>	<u>\$ -</u>	<u>\$2,331,317</u>

NOTE 5 - LOANS AND TRANSFERS BETWEEN FUNDS

The following advance balances between funds existed at March 31, 2004:

\$5 owed from the Current Property Tax Collection Fund to the General Fund

The following inter-fund operating transfers were made during the audit year:

\$4,000 from the General Fund to the Park Fund

\$15,000 from the General Fund to the Ambulance Fund

\$25,000 from the Fire Fund to the Fire Capital Improvement Fund

NOTE 6 - INVENTORIES

Whitewater Township does not maintain a substantial inventory of supplies or materials. Purchases are normally made as needed, and the items are recorded as expenses at time of purchase.

Tobin & Co.

Whitewater Township

Notes to Financial Statements

March 31, 2004

NOTE 7 - LONG-TERM DEBT

Enterprise Fund Long-term debt at March 31, 2004 consisted of 4.30% to 5.50% Grand Traverse County Whitewater Township Sanitary Sewer System Bonds. The bonds were issued on March 1, 1999 with an original issue amount of \$315,000 and an original issue discount of \$6,300. Principal payments are May 1 and interest May 1 and November 1. Debt service requirements to maturity are:

	<u>Principal</u>	<u>Interest</u>
2004	\$ 10,000	\$ 12,725
2005	15,000	12,118
2006	20,000	11,250
2007	20,000	10,240
2008	20,000	9,210
2009	20,000	8,165
2010	20,000	7,110
2011	20,000	6,040
2012	20,000	4,950
2013	20,000	3,850
2014	20,000	2,750
2015	20,000	1,650
2016	<u>20,000</u>	<u>550</u>
	<u>\$245,000</u>	<u>\$ 90,608</u>

General long-term debt at March 31, 2004 consisted of five installment notes payable to Alden State Bank, various dates, 4.25% interest rate, principal and interest payments due annually on various dates.

<u>Year Ended March 31,</u>	<u>Principal</u>	<u>Interest</u>
2005	\$ 12,468	\$ 4,172
2006	12,998	3,642
2007	13,551	3,090
2008	14,127	2,514
2009	14,727	1,913
2010	15,353	1,288
2011	<u>14,946</u>	<u>1,695</u>
	<u>\$ 98,170</u>	<u>\$ 18,314</u>

Tobin & Co.

Whitewater Township

Notes to Financial Statements

March 31, 2004

NOTE 7 - LONG-TERM DEBT (Continued)

Changes in Long-Term Debt:

	Principal Balance <u>03/31/03</u>	<u>Additions</u>	<u>Payments</u>	Principal Balance <u>03/31/04</u>
Sanitary Sewer System Bonds	\$ 255,000	\$ -	\$ 10,000	\$ 245,000
Notes Payable - Alden State Bank	<u>123,703</u>	<u>-</u>	<u>25,533</u>	<u>98,170</u>
Total	<u>\$ 378,703</u>	<u>\$ -</u>	<u>\$ 35,533</u>	<u>\$ 343,170</u>

NOTE 8 - RETIREMENT PLAN

The Township has a defined contribution pension plan for Michigan Township employees under contract with the Manufacturers Life Insurance Company. Listed below is a summary of the significant plan provisions adopted by Board Resolution in December 1968 and amended December 1995 and January 1996.

A. Eligibility Requirements

1. Attained age of 18 and not more than 75.
2. 90 days minimum service requirement.
3. All elected officials and full-time salaried employees.

B. Contributions

1. 10% of annual compensation funded entirely by the Township on an annual basis.
2. Compensation determined by the basic annual rate of compensation in effect at the beginning of the plan year.
3. Township pays 100% of required annual contribution.

C. Vesting

1. Contributions are vested to the employee immediately upon early retirement, termination of service, death, disability, or normal retirement at 100%.

Tobin & Co.

Whitewater Township

Notes to Financial Statements

March 31, 2004

NOTE 8 - RETIREMENT PLAN (Continued)

D. Plan Administration

1. The plan is administered by the Township Clerk.

During the year of audit, the total contribution for the plan year, April 1, 2003 to April 1, 2004 was \$11,331 including administrative expenses. Covered payroll for the year was \$111,453 with total payroll for all employees of \$202,700. The plan was funded at the required contribution amount.

NOTE 9 - ACCOUNTS/TAXES RECEIVABLE

Accounts receivable of \$9,314 in the Ambulance Fund represent amounts due from individuals for ambulance service. Substantially all receivables in the General Fund and other Special Revenue Funds represent 2003 delinquent real and personal property taxes and property tax administration fees.

NOTE 10 - PROPERTY TAX ADMINISTRATIONS FEES

The Township levied the 1% administration fee permitted by statute on all 2003 property taxes. These fees may be used only to offset such property tax administration costs as assessing, collecting and the review and appeal process. Property tax administration fee collection and summer tax collection fees totaled \$44,877 while costs were \$45,077 for the audit year, indicating compliance with statutory requirements.

NOTE 11 - CONTINGENT LIABILITIES

Township officials are aware of no contingent liabilities as of March 31, 2004.

NOTE 12 - COMPENSATED ABSENCES

The Township provides non-cumulative annual and personal leave to the Zoning Administrator. As of March 31, 2004, there was no liability for compensated absences.

NOTE 13 - RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the audit year the Township addressed these risks through the purchase of commercial insurance through Municipal Underwriters of Michigan. There was no significant reduction of insurance coverage from prior years nor have the amounts of any settlements exceeded insurance coverage in any of the past three fiscal years.

Tobin & Co.

Whitewater Township

Notes to Financial Statements

March 31, 2004

NOTE 14-SEGMENT INFORMATION – ENTERPRISE FUND

The Township maintains a single Enterprise fund which provides sewer services. Segment information for the year ended March 31, 2004 was as follows:

Operating Revenues	\$ 25,819
Depreciation, Depletion and Amortization Expense	6,946
Operating Income	2,327
Net Income	2,327
Property, Plant, and Equipment: Additions	-
Net Working Capital	145,296
Total Assets	615,801
Bonds and Other Long-Term Liabilities:	
Payable from Operating Revenues	245,000
Total Equity	373,038

Tobin & Co.

SUPPLEMENTAL DATA SECTION

Tobin & Co.

Whitewater Township

Schedule 1

Page 1

Statement of Revenues, Expenditures and Changes in Fund Balance

General Fund

For the Year Ended March 31, 2004

<u>Revenues</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Taxes:			
Current Property Taxes	\$ 78,824	\$ 79,403	\$ 579
Penalties and Interest on Taxes	1,000	523	(477)
Property Tax Administration Fee	38,099	37,464	(635)
Swamp Tax and Commercial Forest	14,000	13,765	(235)
Collection Fees	7,500	7,413	(87)
Licenses and Permits:			
Land Use Permits	2,500	2,536	36
Franchise Fees	16,000	19,172	3,172
State Grants:			
State Shared Revenues	181,009	167,847	(13,162)
Charges for Services:			
Fees	5,600	5,610	10
Sales	900	1,199	299
Interest and Rents:			
Interest	5,000	4,207	(793)
Other:			
Refunds and Reimbursements	590	430	(160)
Sale of Fixed Assets	-	47	47
Miscellaneous	-	1,207	1,207
Total Revenues	<u>351,022</u>	<u>340,823</u>	<u>(10,199)</u>
<u>Expenditures</u>			
Legislative:			
Township Board:			
Salaries	-	5,786	-
Office Supplies	-	2,901	-
Postage	-	70	-
Audit and Accounting	-	3,508	-
Cleanup Day	-	13,350	-
Pension Plan	-	8,745	-
Dues and Memberships	-	2,668	-
Road Brining Services	-	8,443	-
Mileage	-	180	-
Meals and Lodging	-	651	-
Education and Training	-	350	-

The Notes to the Financial Statements are an integral part of this statement

Tobin & Co.

Whitewater Township

Schedule 1

Page 2

Statement of Revenues, Expenditures and Changes in Fund Balance

General Fund

For the Year Ended March 31, 2004

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Expenditures (Continued)</u>			
Legislative (Continued):			
Township Board (Continued):			
Publishing	-	2,490	-
Township Newsletter	-	1,681	-
Streetlights	-	1,188	-
Boardman River Project	-	200	-
Gypsy Moth Program	-	276	-
Refunds	-	223	-
Total Legislative	<u>55,042</u>	<u>52,710</u>	<u>2,332</u>
General Government:			
Township Supervisor:			
Salaries	-	25,025	-
Office Supplies	-	290	-
Postage	-	199	-
Mileage	-	275	-
Meals and Lodging	-	20	-
Total	<u>26,025</u>	<u>25,809</u>	<u>216</u>
Elections:			
Wages	-	1,172	-
Office Supplies	-	135	-
Postage	-	318	-
Software Support	-	200	-
Mileage Reimbursement	-	45	-
Publishing	-	80	-
Total	<u>1,957</u>	<u>1,950</u>	<u>7</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Whitewater Township

Schedule 1

Page 3

Statement of Revenues, Expenditures and Changes in Fund Balance

General Fund

For the Year Ended March 31, 2004

<u>Expenditures (Continued)</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Assessor:			
Office Supplies	-	436	-
Postage	-	744	-
Assessing Services	-	18,200	-
Software Support	-	420	-
Total	<u>19,850</u>	<u>19,800</u>	<u>50</u>
Attorney:			
Legal Services	-	29,965	-
Total	<u>30,000</u>	<u>29,965</u>	<u>35</u>
Clerk:			
Salaries	-	25,025	-
Wages	-	6,532	-
Office Supplies	-	1,167	-
Postage	-	786	-
Software Support	-	2,998	-
Mileage	-	116	-
Meals and Lodging	-	36	-
Total	<u>39,296</u>	<u>36,660</u>	<u>2,636</u>
Board of Review:			
Salaries	-	432	-
Office Supplies and Expense	-	20	-
Publishing	-	94	-
Total	<u>850</u>	<u>546</u>	<u>304</u>

The Notes to the Financial Statements are an integral part of this statement

Tobin & Co.

Whitewater Township

Schedule 1

Page 4

Statement of Revenues, Expenditures and Changes in Fund Balance

General Fund

For the Year Ended March 31, 2004

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Expenditures (Continued)</u>			
General Government (Continued):			
Treasurer:			
Salaries	-	19,305	-
Wages	-	1,549	-
Office Supplies	-	1,430	-
Postage	-	2,001	-
Software Support	-	420	-
Mileage	-	1,030	-
Meals and Lodging	-	439	-
Education and Training	-	425	-
Total	<u>28,855</u>	<u>26,599</u>	<u>2,256</u>
Township Hall and Grounds:			
Operating Supplies	-	1,079	-
Lawn Maintenance	-	1,725	-
Janitorial	-	1,300	-
Waste Removal	-	262	-
Snow Plowing	-	910	-
Internet	-	189	-
Electricity	-	1,184	-
Heat	-	2,103	-
Telephone	-	3,065	-
Maintenance and Repairs	-	4,037	-
Total	<u>16,115</u>	<u>15,854</u>	<u>261</u>
Cemetery:			
Operating Supplies	-	176	-
Sexton	-	2,370	-
Lawn Maintenance	-	6,280	-
Electricity	-	92	-
Maintenance and Repairs	-	295	-
Total	<u>9,560</u>	<u>9,213</u>	<u>347</u>
Total General Government	<u>172,508</u>	<u>166,396</u>	<u>6,112</u>

The Notes to the Financial Statements are an integral part of this statement

Tobin & Co.

Whitewater Township

Schedule 1

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Statement of Revenues, Expenditures and Changes in Fund Balance

General Fund

For the Year Ended March 31, 2004

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Expenditures (Continued):</u>			
Public Safety:			
Planning Commission:			
Salaries	-	3,090	-
Wages	-	550	-
Professional Services	-	1,240	-
Dues and Memberships	-	550	-
Mileage Reimbursement	-	134	-
Meals and Lodging	-	60	-
Publishing	-	585	-
Total	<u>15,130</u>	<u>6,209</u>	<u>8,921</u>
Zoning Administrator/Planner:			
Wages	-	32,728	-
Office Supplies	-	965	-
Postage	-	380	-
Professional Services	-	1,220	-
Pension Plan	-	3,369	-
Mileage	-	969	-
Meals and Lodging	-	580	-
Education and Training	-	990	-
Total	<u>41,471</u>	<u>41,201</u>	<u>270</u>
Zoning Board of Appeals:			
Salaries	-	1,070	-
Wages	-	450	-
Education and Training	-	60	-
Total	<u>2,450</u>	<u>1,580</u>	<u>870</u>
Total Public Safety	<u>59,051</u>	<u>48,990</u>	<u>10,061</u>

The Notes to the Financial Statements are an integral part of this statement

Tobin & Co.

Whitewater Township

Schedule 1

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Statement of Revenues, Expenditures and Changes in Fund Balance

General Fund

For the Year Ended March 31, 2004

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Expenditures (Continued):</u>			
Recreation and Culture:			
Historical Society:			
Office Supplies	<u>538</u>	<u>538</u>	<u>-</u>
Total	<u>538</u>	<u>538</u>	<u>-</u>
Total Recreation and Culture	<u>538</u>	<u>538</u>	<u>-</u>
Other:			
Employee Health Insurance	<u>3,360</u>	<u>2,913</u>	<u>447</u>
Social Security/Medicare:			
Social Security	<u>-</u>	<u>7,536</u>	<u>-</u>
Medicare	<u>-</u>	<u>1,763</u>	<u>-</u>
Total	<u>9,471</u>	<u>9,299</u>	<u>172</u>
Insurance:			
Liability	<u>-</u>	<u>9,786</u>	<u>-</u>
Workers' Compensation	<u>-</u>	<u>4,451</u>	<u>-</u>
Total	<u>14,237</u>	<u>14,237</u>	<u>-</u>
Total Other	<u>27,068</u>	<u>26,449</u>	<u>619</u>
Capital Outlay	<u>12,540</u>	<u>12,540</u>	<u>-</u>
Debt Service:			
Principal	<u>-</u>	<u>13,199</u>	<u>-</u>
Interest	<u>-</u>	<u>652</u>	<u>-</u>
Total	<u>13,860</u>	<u>13,851</u>	<u>9</u>
Total Expenditures	<u>340,607</u>	<u>321,474</u>	<u>19,133</u>

The Notes to the Financial Statements are an integral part of this statement

Tobin & Co.

Whitewater Township

Schedule 1

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Statement of Revenues, Expenditures and Changes in Fund Balance

General Fund

For the Year Ended March 31, 2004

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Excess Revenues (Expenditures)</u>	<u>10,415</u>	<u>19,349</u>	<u>8,934</u>
<u>Other Financing Sources (Uses)</u>			
Operating Transfers In	-	-	-
Operating Transfers (Out)	<u>(18,857)</u>	<u>(19,000)</u>	<u>(143)</u>
Total	<u>(18,857)</u>	<u>(19,000)</u>	<u>(143)</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	(1) <u>\$ (8,442)</u>	349	<u>\$ 8,791</u>
<u>Fund Balance – Beginning of Year</u>		<u>265,727</u>	
<u>Fund Balance – End of Year</u>		<u>\$ 266,076</u>	
(1) Budgeted from Fund Balance			

The Notes to the Financial Statements are an integral part of this statement

Whitewater TownshipSchedule 2Combining Balance SheetAll Special Revenue FundsMarch 31, 2004

<u>Assets</u>	<u>Fire Fund</u>	<u>Park Fund</u>	<u>Recreation Fund</u>
Cash in Bank	\$ 101,714	\$ 601	\$ 64,217
Accounts Receivable	<u>9,149</u>	<u>-</u>	<u>2,279</u>
Total Assets	<u>\$ 110,863</u>	<u>\$ 601</u>	<u>\$ 66,496</u>
<u>Liabilities and Fund Equity</u>			
Liabilities:			
Accounts Payable	\$ 380	\$ -	\$ 4
Total Liabilities	<u>380</u>	<u>-</u>	<u>4</u>
Fund Equity:			
Fund Balance – Unrestricted	<u>110,483</u>	<u>601</u>	<u>66,492</u>
Total Fund Equity	<u>110,483</u>	<u>601</u>	<u>66,492</u>
Total Liabilities and Fund Equity	<u>\$ 110,863</u>	<u>\$ 601</u>	<u>\$ 66,496</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

<u>Ambulance Fund</u>	<u>Ambulance Replacement Fund</u>	<u>Public Improvement Fund</u>	<u>Fire Equipment Fund</u>	<u>Totals</u>
\$ 2,534	\$ 18,003	\$ 11,275	\$ 128,208	\$ 326,552
<u>9,314</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,742</u>
<u>\$ 11,848</u>	<u>\$ 18,003</u>	<u>\$ 11,275</u>	<u>\$ 128,208</u>	<u>\$ 347,294</u>
\$ 833	\$ -	\$ -	\$ -	\$ 1,217
<u>833</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,217</u>
<u>11,015</u>	<u>18,003</u>	<u>11,275</u>	<u>128,208</u>	<u>346,077</u>
<u>11,015</u>	<u>18,003</u>	<u>11,275</u>	<u>128,208</u>	<u>346,077</u>
<u>\$ 11,848</u>	<u>\$ 18,003</u>	<u>\$ 11,275</u>	<u>\$ 128,208</u>	<u>\$ 347,294</u>

Combining Statement of Revenues, Expenditures and Changes in Fund BalanceAll Special Revenue FundsFor the Year Ended March 31, 2004

<u>Revenues</u>	<u>Fire Fund</u>	<u>Park Fund</u>	<u>Recreation Fund</u>
Taxes:			
Current Taxes	\$ 116,803	\$ -	\$ 27,087
Charges for Services:			
Fees	-	75,926	2,175
Sales	-	5,900	-
Interest and Rents:			
Interest	976	89	572
Rents	4,000	1,725	-
Other:			
Miscellaneous	<u>457</u>	<u>149</u>	<u>-</u>
Total	<u>122,236</u>	<u>83,789</u>	<u>29,834</u>
<u>Expenditures</u>			
General Government	-	-	-
Public Safety	95,606	-	-
Recreation and Culture	<u>-</u>	<u>89,149</u>	<u>17,329</u>
Total	<u>95,606</u>	<u>89,149</u>	<u>17,329</u>
<u>Excess Revenues (Expenditures)</u>	<u>26,630</u>	<u>(5,360)</u>	<u>12,505</u>
<u>Other Financing Sources (Uses)</u>			
Operating Transfers In	-	4,000	-
Operating Transfers (Out)	<u>(25,000)</u>	<u>-</u>	<u>-</u>
Total	<u>(25,000)</u>	<u>4,000</u>	<u>-</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>1,630</u>	<u>(1,360)</u>	<u>12,505</u>
<u>Fund Balance – Beginning of Year</u>	<u>108,853</u>	<u>1,961</u>	<u>53,987</u>
<u>Fund Balance – End of Year</u>	<u>\$ 110,483</u>	<u>\$ 601</u>	<u>\$ 66,492</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

<u>Ambulance Fund</u>	<u>Ambulance Replacement Fund</u>	<u>Public Improvement Fund</u>	<u>Fire Equipment Fund</u>	<u>Totals</u>
\$ -	\$ -	\$ -	\$ -	\$ 143,890
27,206	-	-	-	105,307
-	-	-	-	5,900
9	360	203	2,119	4,328
-	-	-	-	5,725
<u>6</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>612</u>
<u>27,221</u>	<u>360</u>	<u>203</u>	<u>2,119</u>	<u>265,762</u>
-	-	29,607	-	29,607
38,099	-	-	-	133,705
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>106,478</u>
<u>38,099</u>	<u>-</u>	<u>29,607</u>	<u>-</u>	<u>269,790</u>
<u>(10,878)</u>	<u>360</u>	<u>(29,404)</u>	<u>2,119</u>	<u>(4,028)</u>
15,000	-	-	25,000	44,000
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(25,000)</u>
<u>15,000</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>19,000</u>
4,122	360	(29,404)	27,119	14,972
<u>6,893</u>	<u>17,643</u>	<u>40,679</u>	<u>101,089</u>	<u>331,105</u>
<u>\$ 11,015</u>	<u>\$ 18,003</u>	<u>\$ 11,275</u>	<u>\$ 128,208</u>	<u>\$ 346,077</u>

Tobin & Co.

Whitewater Township

Schedule 4

Page 1

Statement of Revenues, Expenditures and Changes in Fund Balance

Fire Fund

For the Year Ended March 31, 2004

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Taxes:			
Current Taxes	\$ 117,868	\$ 116,803	\$ (1,065)
Interest and Rents:			
Interest	3,000	976	(2,024)
Rents	4,000	4,000	-
Other – Miscellaneous	<u>350</u>	<u>457</u>	<u>107</u>
Total	<u>125,218</u>	<u>122,236</u>	<u>(2,982)</u>
<u>Expenditures</u>			
Wages and Per Diem	-	10,281	-
Social Security	-	637	-
Medicare	-	149	-
Office Supplies	-	467	-
Operating Supplies	-	980	-
Uniforms	-	29	-
Lawn Maintenance	-	680	-
Janitorial	-	1,300	-
Waste Removal	-	262	-
Rural Fire Assessment	-	67,468	-
Snowplowing	-	810	-
Mileage	-	1,305	-
Education and Training	-	14	-
Electricity	-	2,996	-
Telephone	-	1,268	-
Heat	-	2,613	-
Propane/Generator	-	25	-
Maintenance and Repairs – Equipment	-	1,750	-
Maintenance and Repairs – Building	-	796	-
Refunds	-	31	-
Capital Outlay	<u>-</u>	<u>1,745</u>	<u>-</u>
Total	<u>100,218</u>	<u>95,606</u>	<u>4,612</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Whitewater Township

Schedule 4

Page 2

Statement of Revenues, Expenditures and Changes in Fund Balance

Fire Fund

For the Year Ended March 31, 2004

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Excess Revenues (Expenditures)</u>	<u>25,000</u>	<u>26,630</u>	<u>1,630</u>
<u>Other Financing Sources (Uses)</u>			
Operating Transfers In	-	-	-
Operating Transfers (Out)	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
Total	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>\$ -</u>	<u>1,630</u>	<u>\$ 1,630</u>
<u>Fund Balance – Beginning of Year</u>		<u>108,853</u>	
<u>Fund Balance – End of Year</u>		<u>\$ 110,483</u>	

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Whitewater Township

Schedule 5

Page 1

Statement of Revenues, Expenditures and Changes in Fund Balance

Park Fund

For the Year Ended March 31, 2004

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
<u>Township Park:</u>			
Charges for Services:			
Camping Fees	62,398	63,282	884
Boat Ramp Fees	8,000	7,737	(263)
Reservation Fees	2,500	3,135	635
Ice Sales	4,200	3,642	(558)
Pop Sales	1,000	774	(226)
Wood Sales	1,200	1,484	284
Shower Fees	1,500	1,772	272
Interest and Rents:			
Interest	450	89	(361)
Rents	1,300	1,725	425
Other:			
Miscellaneous	<u>124</u>	<u>149</u>	<u>25</u>
Total	<u>82,672</u>	<u>83,789</u>	<u>1,117</u>
<u>Expenditures</u>			
<u>Township Park:</u>			
Salaries	-	3,081	-
Wages	-	34,480	-
Office Supplies	-	224	-
Postage	-	115	-
Operating Supplies	-	5,556	-
Ice	-	1,621	-
Pop	-	517	-
Uniforms	-	166	-
Professional Services	-	407	-
Lawn Maintenance Services	-	4,130	-
Waste Removal	-	827	-
Septic Services	-	1,561	-
Mileage	-	171	-
Electricity	-	2,497	-

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Whitewater Township

Schedule 5

Page 2

Statement of Revenues, Expenditures and Changes in Fund Balance

Park Fund

For the Year Ended March 31, 2004

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Expenditures (Continued)</u>			
Township Park (Continued)			
Propane	-	525	-
Telephone	-	1,423	-
Sales Tax	-	291	-
Maintenance and Repairs	-	11,045	-
Capital Outlay	-	998	-
Total	<u>70,485</u>	<u>69,635</u>	<u>850</u>
Social Security/Medicare:			
Social Security	-	2,329	-
Medicare	-	544	-
Total	<u>2,873</u>	<u>2,873</u>	<u>-</u>
Debt Service:			
Principal	-	12,333	-
Interest	-	4,308	-
Total	<u>16,641</u>	<u>16,641</u>	<u>-</u>
Total Expenditures	<u>89,999</u>	<u>89,149</u>	<u>850</u>
<u>Excess Revenues (Expenditures)</u>	<u>(7,327)</u>	<u>(5,360)</u>	<u>1,967</u>
<u>Other Financing Sources (Uses)</u>			
Operating Transfers In	7,500	4,000	(3,500)
Operating Transfers (Out)	-	-	-
Total	<u>7,500</u>	<u>4,000</u>	<u>(3,500)</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>\$ 173</u>	<u>(1,360)</u>	<u>\$ (1,533)</u>
<u>Fund Balance – Beginning of Year</u>		<u>1,961</u>	
<u>Fund Balance – End of Year</u>		<u>\$ 601</u>	

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Whitewater Township

Schedule 6

Page 1

Statement of Revenues, Expenditures and Changes in Fund Balance

Recreation Fund

For the Year Ended March 31, 2004

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Taxes:			
Current Taxes	\$ 26,882	\$ 27,082	\$ 200
Penalties and Interest on Taxes	-	5	5
Charges for Services:			
Fees	1,500	2,175	675
Sales	50	-	(50)
Interest and Rents:			
Interest	<u>250</u>	<u>572</u>	<u>322</u>
Total	<u>28,682</u>	<u>29,834</u>	<u>1,152</u>
<u>Expenditures</u>			
Recreation:			
Salaries	-	39	-
Wages	-	828	-
Office Supplies	-	91	-
Operating Supplies	-	623	-
Professional Services	-	8,930	-
Lawn Maintenance	-	4,450	-
Waste Removal	-	211	-
Septic	-	90	-
Mileage	-	7	-
Electricity	-	865	-
Repairs and Maintenance	-	1,105	-
Refunds	<u>-</u>	<u>24</u>	<u>-</u>
Total	<u>75,509</u>	<u>17,263</u>	<u>58,246</u>
Social Security/Medicare:			
Social Security	-	54	-
Medicare	<u>-</u>	<u>12</u>	<u>-</u>
Total	<u>133</u>	<u>66</u>	<u>67</u>
Total Expenditures	<u>75,642</u>	<u>17,329</u>	<u>58,313</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Whitewater Township

Schedule 6

Page 2

Statement of Revenues, Expenditures and Changes in Fund Balance

Recreation Fund

For the Year Ended March 31, 2004

	<u>Amended Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>Excess Revenues (Expenditures)</u>	(1) <u>\$ (46,960)</u>	12,505	<u>\$ 59,465</u>
<u>Fund Balance</u> – Beginning of Year		<u>53,987</u>	
<u>Fund Balance</u> – End of Year		<u>\$ 66,492</u>	
(1) Budgeted from Fund Balance			

The Notes to the Financial Statements are an Integral part of this statement.

Tobin & Co.

Whitewater Township

Schedule 7

Page 1

Statement of Revenues, Expenditures and Changes in Fund Balance

Ambulance Fund

For the Year Ended March 31, 2004

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Charges for Services:			
Fees	\$ 35,000	\$ 27,206	\$ (7,794)
Interest and Rents:			
Interest	50	9	(41)
Other:			
Miscellaneous	<u>1,000</u>	<u>6</u>	<u>(994)</u>
Total	<u>36,050</u>	<u>27,221</u>	<u>(8,829)</u>
<u>Expenditures</u>			
Wages	-	14,909	-
Run Wages	-	11,752	-
Social Security	-	1,653	-
Medicare	-	387	-
Office Supplies	-	487	-
Operating Supplies	-	570	-
Medical Supplies	-	2,479	-
Billing Services	-	3,030	-
Mileage	-	707	-
Meals and Lodging	-	344	-
Education and Training	-	995	-
Cellular Phone	-	255	-
Pager	-	286	-
Maintenance and Repairs	<u>-</u>	<u>245</u>	<u>-</u>
Total	<u>51,624</u>	<u>38,099</u>	<u>13,525</u>
<u>Excess Revenues (Expenditures)</u>	<u>(15,574)</u>	<u>(10,878)</u>	<u>4,696</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Whitewater Township

Schedule 7

Page 2

Statement of Revenues, Expenditures and Changes in Fund Balance

Ambulance Fund

For the Year Ended March 31, 2004

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Other Financing Sources (Uses)</u>			
Operating Transfers In	15,574	15,000	(574)
Operating Transfers (Out)	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>15,574</u>	<u>15,000</u>	<u>(574)</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>\$ -</u>	4,122	<u>\$ 4,122</u>
<u>Fund Balance</u> – Beginning of Year		<u>6,893</u>	
<u>Fund Balance</u> – End of Year		<u>\$ 11,015</u>	

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Whitewater Township

Schedule 8

Statement of Revenues, Expenditures and Changes in Fund Balance

Ambulance Replacement Fund

For the Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Interest and Rents:			
Interest	\$ 550	\$ 360	\$ (190)
Total	550	360	(190)
<u>Expenditures</u>	-	-	-
<u>Excess Revenues (Expenditures)</u>	\$ 550	360	\$ (190)
<u>Fund Balance</u> – Beginning of Year		17,643	
<u>Fund Balance</u> – End of Year		\$ 18,003	

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Whitewater Township

Schedule 9

Statement of Revenues, Expenditures and Changes in Fund Balance

Public Improvement Fund

For the Year Ended March 31, 2004

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Interest and Rents:			
Interest	\$ <u>350</u>	\$ <u>203</u>	\$ <u>(147)</u>
Total	<u>350</u>	<u>203</u>	<u>(147)</u>
<u>Expenditures</u>			
Professional Services	-	(3,585)	-
Capital Outlay	<u>-</u>	<u>33,192</u>	<u>-</u>
Total	<u>35,215</u>	<u>29,607</u>	<u>5,608</u>
<u>Excess Revenues (Expenditures)</u>	(1) <u>\$ (34,865)</u>	<u>(29,404)</u>	<u>\$ 5,461</u>
<u>Fund Balance</u> – Beginning of Year		<u>40,679</u>	
<u>Fund Balance</u> – End of Year		<u>\$ 11,275</u>	
(1) Budgeted from Fund Balance			

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Whitewater Township

Schedule 10

Statement of Revenues, Expenditures and Changes in Fund Balance

Fire Capital Improvement Fund

For the Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Interest and Rents:			
Interest	\$ 3,000	\$ 2,119	\$ (881)
Total	<u>3,000</u>	<u>2,119</u>	<u>(881)</u>
<u>Expenditures</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>-</u>	<u>-</u>
<u>Excess Revenues (Expenditures)</u>	<u>3,000</u>	<u>2,119</u>	<u>(881)</u>
<u>Other Financing Sources (Uses)</u>			
Operating Transfers In	-	25,000	25,000
Operating Transfers (Out)	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>25,000</u>	<u>25,000</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>\$ 3,000</u>	27,119	<u>\$ 24,119</u>
<u>Fund Balance</u> – Beginning of Year		<u>101,089</u>	
<u>Fund Balance</u> – End of Year		<u>\$ 128,208</u>	

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Whitewater Township

Schedule 11

Statement of Changes in Assets and Liabilities

Current Tax Collection Fund

For the Year Ended March 31, 2004

	<u>Balance</u> <u>3/31/03</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>3/31/04</u>
<u>Assets</u>				
Cash	\$ <u>5</u>	\$ <u>3,573,103</u>	\$ <u>3,573,103</u>	\$ <u>5</u>
Total Assets	\$ <u>5</u>	\$ <u>3,573,103</u>	\$ <u>3,573,103</u>	\$ <u>5</u>
<u>Liabilities</u>				
Undistributed Taxes and Interest	\$ <u>5</u>	\$ <u>3,573,103</u>	\$ <u>3,573,103</u>	\$ <u>5</u>
Total Liabilities	\$ <u>5</u>	\$ <u>3,573,103</u>	\$ <u>3,573,103</u>	\$ <u>5</u>

The Notes to the Financial Statements are an integral part of this statement

Tobin & Co.

Whitewater Township

Schedule 12

2003 Property Tax Levy and Collections

For the Year Ended March 31, 2004

	<u>Millage Rate</u>	<u>Adjusted Levy</u>	<u>Collected</u>	<u>Returned Delinquent</u>
County	5.2112	\$ 638,949	\$ 585,164	\$ 53,785
Commission on Aging	0.2763	33,868	31,018	2,850
Medical Care	0.6897	84,556	77,439	7,117
BATA	0.3500	42,906	39,294	3,612
State Education	5.0000	613,063	579,429	33,634
School District	20.6700	1,193,058	1,117,965	75,093
School District	21.1000	8,545	8,545	-
Intermediate School District	2.9929	366,958	346,826	20,132
Community College	3.0693	376,314	350,153	26,161
District Library	1.2290	150,673	137,990	12,683
Township:				
General	0.6475	79,383	72,701	6,682
Fire Protection	1.0000	116,783	107,633	9,150
Recreation	0.2209	27,076	24,797	2,279
Special Assessments		25,269	24,504	765
Commercial Forest Reserve		453	453	-
Sewage Usage		<u>1,386</u>	<u>462</u>	<u>924</u>
Total		<u>\$ 3,759,240</u>	<u>\$ 3,504,373</u>	<u>\$ 254,867</u>

Percent of Levy Collected 93.22%

The Notes to the Financial Statements are an integral part of this statement

Tobin & Co.

Whitewater Township

Schedule 13

Statement of Revenues and Expenditures

Property Tax Administration Fees

For the Year Ended March 31, 2004

Revenues

Property Tax Administration Fees	\$ 37,464
Summer Tax Collection Fees	<u>7,413</u>
Total Revenues	<u>44,877</u>

Expenditures

Assessor	19,800
Board of Review	546
Treasurer - (90% of Salary)	17,375
Treasurer Expenses	6,855
Supervisor (2% of Salary)	<u>501</u>
Total Expenditures	<u>45,077</u>
<u>Excess Revenues (Expenditures)</u>	<u>(200)</u>
<u>Accumulated Excess (Expenditures)</u>	<u>\$(222,318)</u>

The Notes to the Financial Statements are an integral part of this statement